

AMENDMENT TO THE BY-LAWS AND DECLARATION OF COVENANTS,  
CONDITIONS, AND RESTRICTIONS FOR  
THE LAKE HERON HOMEOWNERS' ASSOCIATION, INC.

THIS AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS was made during a meeting of the membership called for the purposes of amending the Association's Governing Documents, held on the 4<sup>th</sup> day of March, 2013.

WHEREAS, on or about the 9<sup>th</sup> day of August, 1993, Lake Heron Partnership, did record in the public records of Pasco County, Florida, that certain Declaration of Covenants, Conditions and Restrictions, hereinafter referred to as "Declaration," for LAKE HERON HOMEOWNERS' ASSOCIATION, INC., in Official Records Book Number 3182 at Page 1985, et al, as amended from time to time; and

WHEREAS, pursuant to Article IX Section 2 of the Bylaws, as amended, the Bylaws can be amended by an affirmative vote of at least seventy-five percent (75%) of those present in person or by proxy at a regular or special meeting of the members where a quorum is present; and

WHEREAS, pursuant to Article XVII Section 5(a) of the Declaration, as amended, the Declaration can be amended by a affirmative of sixty seven percent (67%) of all the Owners;

WHEREAS, at a meeting of the membership held on the 4th day of March, 2013, the following amendments were voted on and passed by the membership;

**The entire section being amended is listed below with all additions being double underlined and all deletions struck through.**

Article V Section 1 of the Bylaws is to be amended to read as follows:

Section 1. The affairs of the Association shall be managed by a Board of not less than three (3) or more than five (5) Directors, the exact number to be determined by the membership from time to time. Each member of the Board shall serve for a term of two years or until such time as his successor is chosen. Directors shall serve staggered terms. In order to implement the staggered system, in the 2014 election, three (3) Directors shall be elected to two (2) year terms and two (2) Directors shall be elected to one (1) year terms. In the 2015 election, an even number of Directors (0 or 2, depending on the size of the Board) shall be elected to two (2) year terms. In all subsequent elections, an odd number of Directors shall be elected in odd years and an even in even years. With the specific number to be dependent on the size of the Board, utilizing the procedure specified in this Section.

Article VII - Use Restrictions Section 1-Q of the Declaration, is to be amended to read as follows:

Q. Lease Restrictions. No Owner(s), shall lease or otherwise allow anyone, other then said Owner(s) and his/her/their immediate family, to live in their unit for a period of one year after acquiring ownership. After the initial one year term the unit may be leased subject to any reasonable rules and regulations passed from time to time by the Board of Directors, including but not limited to minimum rental periods and the requirement of a security deposit to and for the benefit of the Association. The one year prohibition shall not apply to the Association, or a first mortgage holder taking title via a Certificate of Title or Deed in Lieu of Foreclosure; but shall apply to any subsequent purchaser, or third party taking title via a Certificate of Title. This provision shall take effect upon filing in the Official Records of Pasco County, Florida and the one year prohibition shall apply to any owners taking title after said date, with the

remainder of this paragraph applying to all Owners present and future. Any lease for the rental of any unit in the Subdivision shall provide that the Association will have the power of attorney to act on behalf of the Owner(s), should it become necessary to have the tenancy terminated and the tenant removed for their failure to abide by the terms of this Declaration and/or any rules and regulations of the Association.

NOW, THEREFORE, the undersigned, being the President of the Association, whose actions are acknowledged by the Secretary, hereby ratify the foregoing amendment(s) to the Declaration of LAKE HERON HOMEOWNERS' ASSOCIATION, INC.:

President:  
x Maxim Saus  
Name Printed: Maxim Saus

Witness: [Signature]  
Name Printed: RICHARD P. DALRY

Witness: [Signature]  
Name Printed: Angela Hester

STATE OF FLORIDA  
COUNTY OF PASCO

The execution of the foregoing instrument was acknowledged before me by Maxim Saus, as the President of LAKE HERON HOMEOWNERS' ASSOCIATION, INC., who is (personally known to me) (or has produced as identification \_\_\_\_\_) that the aforementioned Amendments to the Declaration and By-laws of LAKE HERON HOMEOWNERS' ASSOCIATION, INC., were passed at a meeting called for the purpose of amending said documents and that said amendments were properly ratified by the membership; and did take an oath, this the 22nd day of April, 2013.

Notary: [Signature]  
CATHERINE CHAPMAN  
MY COMMISSION # EE006053  
EXPIRES September 17, 2014  
FloridaNotaryService.com  
(407) 398-0153

Secretary:  
x Ron Bowman  
Name Printed: Ron Bowman

Witness: [Signature]  
Name Printed: RICHARD P. DALRY

Witness: [Signature]  
Name Printed: Angela Hester

STATE OF FLORIDA  
COUNTY OF PASCO

The execution of the foregoing instrument was acknowledged before me by Ron Bowman, as the Secretary of LAKE HERON HOMEOWNERS' ASSOCIATION, INC., who is (personally known to me) (or has produced as identification \_\_\_\_\_) that the aforementioned Amendments to the Declaration and By-laws of LAKE HERON HOMEOWNERS' ASSOCIATION, INC., were passed at a meeting called for the purpose of amending said documents and that said amendments were properly ratified by the membership; and did take an oath, this the 22nd day of April, 2013.

Notary: [Signature]

Return to:  
Antonio Duarte, III  
6221 Land o' Lakes Blvd.  
Land o' Lakes, Florida 34638

CATHERINE CHAPMAN  
MY COMMISSION # EE006053  
EXPIRES September 17, 2014  
FloridaNotaryService.com  
(407) 398-0153

Prepared by:  
~~Michael J. Brudny, Esq.~~  
~~4830 W. Kennedy Blvd., Suite 750~~  
~~Tampa, FL 33609~~

AMENDED AND RESTATED

BY-LAWS

OF

LAKE HERON HOMEOWNERS' ASSOCIATION, INC.

These Amended and Restated By-Laws shall supersede and replace the original By-Laws of the Association.

ARTICLE I

IDENTITY

SECTION 1. These are the By-Laws of the Lake Heron Homeowners' Association, Inc., a corporation not for profit, under the laws of the State of Florida, hereinafter called "Association". The Association has been organized, among other purposes, for the purpose of administering the operation and management of the Declaration of Easements, Covenants, Conditions and Restrictions for Lake Heron, as amended from time to time, hereinafter called the "Declaration" upon the property which is legally described in Exhibit "All attached hereto.

SECTION 2. The office of the Association shall be located at ~~2047A Osprey Lane~~ **21361 Lake Floyd Drive**, Lutz, Florida **33549**, or at such place as the Board of Directors may determine, from time to time.

SECTION 3. The fiscal year of the Association shall be the calendar year.

SECTION 4. The seal of the Association shall bear the name of the Association; the word "Florida"; the words "Corporation Not for Profit", and the year of incorporation.

SECTION 5. For purposes of service of process, the Association shall designate a resident agent or agents, which designation may be changed from time to time, and his or their office shall be deemed an office of the Association for the purpose of service of process.

## ARTICLE II

### DEFINITIONS

All words, phrases, names and/or terms used by these By-Laws shall share the same meaning and be used and defined the same as they are in Florida Not-for-Profit Corporation Act unless expressly defined otherwise in the Declaration or unless the context of these By-Laws requires a modified definition.

## ARTICLE III

### MEMBERSHIP, VOTING, QUORUM, PROXIES

SECTION 1. The qualification of Members, the manner of their admission to membership and termination of such membership, and voting by Members shall be as set forth in the Articles of Incorporation of the Association, the provisions of which said Articles of Incorporation are incorporated herein by reference.

SECTION 2. A quorum at Members' meeting shall consist of persons, present in person or by proxy, entitled to cast a majority of the votes of the entire membership.

SECTION 3. Votes may be cast in person or by proxy, to the extent that proxies are permitted under the Florida Statutes. Proxies shall be valid only for the particular meeting designated thereon and must be filed with the Secretary before the appointed time of the meeting.

SECTION 4. Except where otherwise required under the provisions of the Articles of Incorporation of the Association, these By-Laws, the Declaration, or where the same may otherwise be required by law, the affirmative vote of the Owners of a majority of the Lots represented at any duly called meeting at which a quorum is present shall be binding upon the Members.

#### ARTICLE IV

##### ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP

SECTION 1. The first annual meeting of the membership will be held when Declarant, as defined in the Declaration, relinquishes its control of the Association, as herein provided. Thereafter, the annual Members' meeting shall be held at the office of the Association on a date, designated by the Board, for the purpose of electing Directors and transacting any other business duly authorized to be transacted by the Members.

SECTION 2. Special Members, meetings shall be held whenever called by the President or Vice-President, or by a majority of the Board of Directors and must be called by such Officers upon receipt of a written request from Members of the Association owning not less than one-third (1/3) of the Lots and must be called by such Officers upon receipt of a written request from the Declarant as long as the Declarant holds for sale in the ordinary course of business any Lot in a subdivision or phase operated by the Association.

SECTION 3. Notice of all Members, meetings, regular or special, shall be given by the President or Vice-President, or Secretary of the Association, or other Officer of the Association in the absence of such Officer as to each Member, unless waived in writing; and such notice shall be written or printed and shall state the time and place and object for which the meeting is called.

Such notice shall be given to each Member not less than ten (10) days nor more than sixty (60) days prior to the date set for such meeting, which notice shall be mailed or presented personally to each Member within said time. If presented personally, receipt of such notice shall be signed by the Member, indicating the date

on which said notice was received by him. If mailed, such notice shall be deemed to be properly given when deposited in the United States Mail, addressed to the Member at his post office address as it appears on the records of the Association, the postage thereon paid. Proof of such mailing shall be given by the affidavit of the person giving the notice.

Any Member may, by written waiver of notice signed by such Member, waive such notice, and such waiver, when filed in the records of the Association, whether before or after the holding of the meeting, shall be deemed equivalent of the giving of such notice to such Member.

If any Members meeting cannot be organized because a quorum has not attended, or because the greater percentage of the membership required to constitute a quorum for particular purposes has not attended, wherever the latter percentage of attendance may be required, as set forth in the Articles of Incorporation, these By-Laws, or the Declaration, the Members who are present, whether in person or by proxy, may adjourn the meeting from time to time until a quorum or the required percentage of attendance, if greater than a quorum, is present.

SECTION 4. At the meetings of membership, the President shall preside, or in his absence, the Vice-President shall preside, or the membership may elect a chairman.

SECTION 5. The order of business at Annual Members' Meetings and as far as practical, at all other Members, meetings shall be as follows:

- (a) Call of the roll and certifying of proxies;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading of Minutes;
- (d) Reports of Officers;
- (e) Reports of Committees;
- (f) Appointment by Chairman of Inspectors of election;

- (g) Election of Directors;
- (h) Unfinished business;
- (i) New business;
- (j) Adjournment.

## ARTICLE V

### DIRECTORS

SECTION 1. The affairs of the Association shall be managed by a Board of not less than ~~three (3) or more than~~ five (5) Directors, the exact number to be determined by the membership from time to time.

SECTION 2. Election of Directors shall be conducted in the following manner:

(a) Election of Directors shall be held at the first annual membership meeting and at the annual Members, meeting thereafter.

(b) A nominating committee of three (3) to five (5) Members shall be appointed by the Board of Directors not less than sixty (60) days prior to the annual Members meeting. The committee shall nominate ~~not more than nine (9)~~ candidates. **Candidates nominated by the committed must reside in a unit of the Lake Heron Subdivision.** Other nominations may be made from the floor, if permitted by the Florida Statutes. otherwise, all nominees are to be identified on the ballots sent to the members with the notice of meeting. The Board shall adopt rules and procedures regarding the election of directors.

(c) The election shall be by written ballot and by a plurality of the votes cast, each person voting being entitled to cast as many votes as there are Directors to be elected, provided, however, there shall be no cumulative voting and each Member may not cast more than one (1) vote for any person nominated as a Director. Further, if there are no greater number of persons nominated than the number of vacancies, an election will not be required.

- (g) Election of Directors;
- (h) Unfinished business;
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(c) The election shall be by written ballot and by a plurality of the votes cast, each person voting being entitled to cast as many votes as there are Directors to be elected, provided, however, there shall be no cumulative voting and each Member may not cast more than one (1) vote for any person nominated as a Director. Further, if there are no greater number of persons nominated than the number of vacancies, an election will not be required.



(d) Vacancies in the Board of Directors occurring between annual meetings of Members shall be filled by the remaining Directors except as to vacancies provided by removal of Directors by Members.

(e) Any Director may be removed by concurrence of two-thirds (2/3) of the persons voting at a special meeting of the Members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the Members of the Association at the same meeting.

(f) Notwithstanding anything to the contrary herein contained, until Declarant relinquishes control of the Association as herein provided, the first Directors of the Association shall continue to serve, and in the event of vacancies, the remaining Directors shall fill any such vacancies; and if there are not remaining Directors, the vacancies shall be filled by the Declarant (the Board of Directors thus constituted being herein referred to as the "Initial Board") ; provided, however, that so long as Declarant shall own one (1) or more Lots for sale in the ordinary course of business, it shall have the continuing right to designate one (1) Member of each Board of Directors, notwithstanding the fact that the Declarant may have, theretofore, relinquished control of the Association as herein provided. At the option of the Initial Board, one or more homeowners may be appointed to the Initial Board, and such Board may be expanded accordingly.

SECTION 3. The organizational meeting of a newly elected Board of Directors shall be held within ten (10) days of their election, at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary.

SECTION 4. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director in writing personally or by mail, at least three (3) days prior to the day named for such meeting.

SECTION 5. Special meetings of the Directors may be called by the President and must be called by the Secretary, at the written request of a majority of the Directors. Not less than two (2) days notice of the meeting shall be given to each Director in

writing personally or by mail, or telegraph, which notice shall state the time, place and purpose of the meeting.

SECTION 6. Any Director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed to be equivalent to the giving of notice.

SECTION 7. A quorum at Directors, meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the board of Directors, except where approval by a greater number of Directors is required by the Declaration, the Articles of Incorporation, or these By-Laws.

SECTION 8. If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting, from time to time, until a quorum is present. At any adjourned meeting, any business which might have been transacted at the meeting as originally called, may be transacted without further notice.

SECTION 9. The joinder of a Director in the action of a meeting by signing and concurring in the Minutes of that meeting shall constitute the presence of such Director for the purpose of determining a quorum. All meetings of the Board shall be open to Members and notice of such meetings shall be posted conspicuously not less than forty-eight (48) hours prior to the time of the meeting, except in case of any emergency.

SECTION 10. The presiding officer of Directors' meetings shall be the President; and if absent, the Vice-President shall preside. In the absence of such presiding officer, the Directors present shall designate one of their number to preside at such meeting.

SECTION 11. The order of business at Directors' meetings shall be as follows:

- (a) Calling of roll.
- (b) Proof of due notice of meeting.

- (c) Reading of Minutes and disposal of any unapproved Minutes.
- (d) Reports of Officers and Committees.
- (e) Election of Officers (where appropriate).
- (f) Unfinished business.
- (g) New business.
- (h) Adjournment.

SECTION 12. Directors' compensation, if any, shall be determined by the Members of the Association at a regular or special meeting of the Members.

SECTION 13. All of the powers and duties of the Association existing under the Declaration, Articles of Incorporation and these By-Laws shall be exercised exclusively by the Board of Directors, representatives appointed by the Board, its agents, contractors or employees, subject to approval by the Members only when such approval is specifically required by appropriate documents, subject always to the power of the Board of Directors to delegate its duties and functions to a managing agent or firm.

Notwithstanding those powers heretofore specifically set forth in the Declaration or Articles of Incorporation, or these By-Laws, the Board shall also have the power to:

(a) Adopt and publish rules and regulations governing the use of the property and the Common Area including the personal conduct of the members and their guests thereon; and to establish penalties for infractions of such rules and regulations, including fines and procedures in connection therewith.

(b) Suspend the voting rights and the right to the use of the recreational facilities, if any, of any Member during any period in which such Member is in default in the payment of any assessment levied by the Association. Such right may also be suspended after notice and hearing, for a period not to exceed thirty (30) days for an infraction of published rules and regulations, and ninety (90) days for a second infraction.

(c) Exercise on behalf of the Association all powers, duties, and authority vested in or delegated to the Association and not specifically reserved to the membership by the Declaration, Articles of Incorporation, or by other provisions of these By-Laws. The Board may acquire insurance as determined appropriate to protect the Association and the Board.

(d) Declare the office of a Member of the board of Directors to be vacant in the event that such Member is absent from three (3) consecutive regular meetings of the Board of Directors without sufficient justification.

(e) Employ a manager, independent contractor, and such other employees as deemed necessary and to prescribe their duties.

(f) Perform all acts necessary for the operation of the property and the club facility for members thereof.

SECTION 14. The Board of Directors shall have the duty to:

(a) Cause a record to be kept of all of its acts and corporate affairs.

(b) Supervise all officers, agents, and employees of the Association and see to it that their duties are properly performed.

(c) As more fully provided in the Declaration, to:

(1) Fix the amount of the annual assessment at least thirty (30) days in advance of each annual assessment period;

(2) Send written notice of each assessment to every owner at least thirty (30) days in advance of each annual assessment period;

(3) Foreclose the lien against any property for any assessments which are not paid within thirty (30) days after the due date, or to bring an action at law against the owner personally obligated to pay the same.

(d) Issue, or cause an appropriate officer to issue, on demand by any person, a certificate setting forth whether or not any assessment has been paid. A statement in a certificate to the effect that an assessment has been paid shall constitute conclusive evidence of such payment. The Board may impose a reasonable charge for the issuance of these certificates.

(e) Procure and maintain adequate liability and hazard insurance on all property owned by the Association.

(f) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.

(g) Cause the Common Areas to be maintained.

(h) Enforce the rules and regulations of the Association.

SECTION 15. The undertakings and contracts authorized by the Initial Board shall be binding on the Association in the same manner as though such undertakings and contracts had been authorized by the first Board of Directors duly elected by the membership after Declarant has relinquished control of the Association.

## ARTICLE VI

### OFFICERS

SECTION 1. The principal officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by and from the Board of Directors. The offices of Secretary and Treasurer may be held by the same individual. The Board of Directors may appoint an Assistant-Treasurer and an Assistant-Secretary and such other officers as in their judgment may be necessary. The Board of Directors may also create committees and appoint Members of the created committees to assist them in making determinations as to any issue which may come before the Board of Directors.

SECTION 2. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

SECTION 3. Upon the affirmative vote of a majority of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purposes.

SECTION 4. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of the President of an Association, including, but not limited to: seeing that orders and resolutions of the Board are carried out; signing checks and promissory notes; signing leases, mortgages, deeds and other instruments; appointing committees from among the Members from time to time, as he may, in his discretion, deem appropriate; and assisting in the conduct of the affairs of the Association.

SECTION 5. The Vice-President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

SECTION 6. The Secretary **or the Board's designee** shall keep the minutes of all proceedings of the Directors and the Members. He shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association and affix it to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all of the duties incident to the office of the Secretary of an Association and as may be required by the Directors or the President. All minutes of the Association shall be open to inspection by owners and Board members at all reasonable times. The Assistant Secretary, if such a position exists, shall perform the duties of the Secretary when the Secretary is absent, or any Treasurer alternatively may perform these duties.

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SECTION 7. The Treasurer **or the Board's designee** shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

## ARTICLE VII

### COMMITTEES

The Board shall appoint an Architectural Committee as provided in the Declaration, and a Nominating Committee, as provided in Article V of these By-Laws. In addition, the Board may appoint such other committees as it may deem appropriate in the performance of its duties.

## ARTICLE VIII

### FINANCES

The provisions for fiscal management of the Association as set forth in the Declaration and Articles of Incorporation shall be supplemented by the following provisions:

SECTION 1. The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses except those for operation and maintenance of the club facilities which shall be kept in separate accounts:

(a) Current expenses, which shall include all receipts and expenditures within the year for which the budget is made, including a reasonable allowance for contingencies in working funds, except expenditures chargeable to reserve, to additional improvements or to operations. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expenses for the succeeding year.

(b) Reserve for deferred maintenance of the improvements such as, but not limited to, roads, utility lines, -street lights, clubhouse, pool, common area landscaping and drainage systems,



*we hrs*  
*the Board's Designee*

SECTION 7. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer. ~~The Treasurer shall~~

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(b) Reserve for deferred maintenance of the improvements such as, but not limited to, roads, utility lines, -street lights, clubhouse, pool, common area landscaping and drainage systems,

which shall include funds for maintenance items that occur less frequently than annually.

(c) Reserve for replacement of the improvements such as, but not limited to, roads, utility lines, street lights, common area landscaping and drainage systems, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.

(d) Betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common elements.

SECTION 2. The Board of Directors shall adopt a budget for each calendar year that shall include the estimated funds required to defray the common expenses and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practices as follows:

(a) Current expenses, the amount for which shall not exceed an increase of 15% of the budget for this account for the prior year or an increase by an amount not to exceed the annual increase in the Consumer Price Index <sup>(11CPI11)</sup> published by the Department of Labor for the prior year, or such similar index if the CPI is not available, whichever is greater.

(b) Reserve for deferred maintenance, the amount of ~~which shall not exceed 10% of the budget for this account for the prior year.~~ **which shall be based on the estimated amount of expenditure and when it will actually be needed in order to determine the annual funding amount.**

(c) Reserve for replacement, the amount of which shall ~~not exceed 10% of the budget for this account for the prior year.~~ **be based on the estimated amount of expenditure and useful life of the asset in order to determine the annual funding amount.**

(d) Other reserves as deemed appropriate by the Board which shall not exceed **an increase of 10%** of the **prior year** budget for a particular account for the ~~prior~~ **current budget** year.

Provided, however, that the amount for each budgeted item may be increased over the foregoing limitations during the development phase when the pro rata expense for each owner does not increase in excess of these limits, and alternatively when approved by the

which shall include funds for maintenance items that occur less frequently than annually.

(c) Reserve for replacement of the improvements such as, but not limited to, roads, utility lines, street lights, common area landscaping and drainage systems, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.

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(b) Reserve for deferred maintenance, the amount of ~~which shall not exceed 10% of the budget for this account for the prior year.~~ **which shall be based on the estimated amount of expenditure and when it will actually be needed in order to determine the annual funding amount.**

(c) Reserve for replacement, the amount of which shall ~~not exceed 10% of the budget for this account for the prior year.~~ **be based on the estimated amount of expenditure and useful life of the asset in order to determine the annual funding amount.**

(d) Other reserves <sup>an increase of</sup> as deemed appropriate by the Board which shall not exceed 10% of the **prior year** budget for a particular account for the ~~prior~~ **current budget** year.

Provided, however, that the amount for each budgeted item may be increased over the foregoing limitations during the development phase when the pro rata expense for each owner does not increase in excess of these limits, and alternatively when approved by the

majority of all members of the Association present in person or by proxy at any regular or special meeting; provided, however, that until the Declarant has completed all of the contemplated improvements and closed the sales of all Lots of the development, or until Declarant elects to terminate its control of the development, whichever shall first occur, the Board of Directors may omit from the budget all allowances for contingencies and reserves, and the other limitations above will not apply. After the Turnover Date, a majority of the members voting at a regular or special meeting may waive or reduce reserves for any particular year.

(e) Copies of the budget and proposed assessments shall be transmitted to each Member on or before December 1st, preceding the year for which the budget is made. If the budget is amended subsequently, a copy of the amended budget shall be furnished to each Member.

(f) Each Member shall be given written notice of the time and place at which the Board shall meet to consider the budget, and the meeting shall be open to the Members.

SECTION 3. The Board of Directors shall determine the method of payment of such assessments and the due dates thereof and shall notify the Members thereof, provided that the assessments shall be made not less frequently than quarterly and shall be collected in the manner provided in the Articles of Incorporation and the Declaration.

SECTION 4. The depository of the Association shall be such bank or banks as shall be designated, from time to time, by the Board, and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only such persons as are authorized by the Board.

SECTION 5. An accountant's report of the accounts of the Association shall be made annually and a copy of the report shall be furnished to each Member not later than April 1st of the year following the year for which the report is made.

SECTION 6. Nothing herein contained shall be construed as restricting the right of the Board, at any time and in its sole discretion, to levy any additional assessment in the event the budget originally adopted shall appear to be insufficient to pay costs and expenses for operation and management, or in the event of an emergency. Notice of the Board meeting where special assessments are to be considered shall be provided to all Members at least 14 days in advance of the meeting except in the case of an emergency.

#### ARTICLE IX

#### AMENDMENTS

Amendments to these By-Laws shall be proposed and adopted in the following manner:

SECTION 1. Notice of the subject matter of the proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

SECTION 2. A resolution adopting a proposed amendment may be proposed by either the Board or by the Members. Board Members and Members of the Association not present in person or by proxy at the meeting considering the amendment may express their approval in writing by limited proxy, providing such approval is delivered to the Secretary at or prior to the meeting. These By-Laws may be amended, at a regular or special meeting of Members, by an affirmative vote of ~~seventy-five~~ **sixty-seven** (75 **67**%) of those present in person or by proxy.

#### ARTICLE X

#### PARLIAMENTARY RULES

If adopted by the Board from time to time, Roberts' Rules of Order shall govern the conduct of the Association meetings which not in conflict with the Declaration or Articles of Incorporation or these By-Laws.

ARTICLE XI

CONFLICTS

In case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

CERTIFICATE OF ADOPTION

This is to certify that these Amended and Restated Bylaws were adopted by the required percentage vote of the membership of the corporation at a special meeting held January 28, 1995.

Edna Van Dorsten,  
Secretary

Neal Van Dorsten,  
President

ACKNOWLEDGEMENT

STATE OF FLORIDA  
COUNTY OF PASCO

Neal Van Dorsten and Edna Van Dorsten, who personally appeared before me this 8<sup>th</sup> day of February, 1995, and who acknowledged that they executed the foregoing Amended and Restated Bylaws for the purposes set forth therein. They are personally known to me and did not take an oath.

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Notary Public  
State of Florida